

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2002-526

September 12, 2002

NORTHERN UTILITIES, INC. – MAINE
Request for Approval of Affiliated Interest
Transaction with Granite State Gas
Transmission Company

NOTICE OF PROCEEDING
AND OPPORTUNITY TO
INTERVENE

On August 30, 2002, Northern Utilities, Inc. (Northern) filed a request for approval of an agreement with its affiliate, Granite State Gas Transmission Company (Granite), to allow it to increase its commitment for pipeline capacity on Granite's system from 84,000 Dth/day to 112,000 Dth/day and to establish a term for this commitment of five years. Northern states that this additional capacity is needed to provide transportation for gas supply commitments it entered into when it decided not to construct a liquefied natural gas (LNG) facility in Wells, Maine. Northern requests approval of this agreement by November 1, 2002.

Granite is an interstate pipeline that extends from Dracut, Massachusetts to Portland, Maine. Granite serves Northern primarily at its interconnection with the PNGTS/MNE Joint Facilities. Granite is an affiliate of Northern pursuant to 35-A M.R.S.A. §707. This provision requires that, before such agreements may take legal effect, the utility must obtain the Commission's written approval, determining that they are not adverse to the public interest.

Persons who wish to intervene in this proceeding must file a written petition to intervene with the Commission's Administrative Director, Dennis Keschl, at State House Station #18, Augusta, Maine 04333 by **September 20, 2002**. A copy should be provided to Northern Utilities at 300 Friberg Parkway, Westborough, MA 01581-5039. Interested persons may request to be added to the service list to receive notice of scheduled hearings and final orders.

An initial case conference and technical conference will be held in the Commission's premises at 242 State Street, Augusta, Maine from **1:00 – 5:00 p.m. on September 24, 2002**. The purpose of this conference will be to rule on petitions to intervene, to conduct discovery on Company witnesses, and to determine the potential for settlement of this case.

This notice is being provided to the service lists in prior cases involving capacity agreements between Granite and Northern, Docket Nos. 2000-619 and 2001-634, as well as in Docket No. 99-259, in which the Commission agreed to a settlement filed with the Federal Energy Regulatory Commission regarding Granite's abandonment of the proposed Wells LNG facility.

BY ORDER OF THE HEARING EXAMINER

Carol A. MacLennan